

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20278-0001

MARKET-DOMINANT PRICE CHANGE

Docket No. R2021-2

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO QUESTIONS 1 AND
3-9 OF CHAIRMAN'S INFORMATION REQUEST NO. 4**
(June 17, 2021)

The Postal Service hereby responds to Question 1 and Questions 3 through 9 of Chairman's Information Request No. 4, issued on June 10, 2021. The question is stated verbatim and is followed by the response. A response to Question 2 is forthcoming.

Respectfully submitted,
UNITED STATES POSTAL SERVICE

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First-Class Mail

1. In the Notice, the Postal Service states that the Tactile, Sensory and Interactive Engagement promotion applies to both First-Class Mail and USPS Marketing Mail pieces. Notice at 30. However, the Postal Service also states that "Tactile, Sensory, promotion applies only to [USPS] Marketing Mail pieces." *Id.* Both Attachment A and Attachment D to the Notice show First-Class Mail pieces as eligible for the Tactile, Sensory and Interactive Engagement promotion in CY 2022. See, e.g., Notice, Attachment A at 18; Notice, Attachment D at 1. Please confirm the Postal Service intends for First-Class Mail pieces to be eligible for the Tactile, Sensory and Interactive Engagement promotion in CY 2022. If not confirmed, please explain.

RESPONSE:

Confirmed.

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2. Regarding the CY 2022 Personalized Color Transpromo promotion, the Postal Service states that “[f]or companies/mail owners who have not previously participated in the promotion, only the dynamic color messaging requirement must be satisfied in their first year of participation.” Notice, Attachment D at 6. Attachment D does not appear to list any requirements beyond the dynamic color messaging requirement for mailers who have participated previously. *See id.* In Attachment A, the description for the CY 2022 Personalized Color Transpromo promotion states that “in mailpieces sent by a prior year’s participant[,] the color messaging *may be required* to be personalized to the recipient.” *See, e.g.,* Notice, Attachment A at 19 (emphasis added).
 - a. Please clarify whether the CY 2022 Personalized Color Transpromo promotion has differing requirements for new and prior year participants. If there are differences in eligibility between new and prior year participants, please explain in detail what those differences are.
 - b. Please revise Attachment A and Attachment D as necessary and provide the revised pages to clarify this promotion’s CY 2022 requirements.

RESPONSE:

The response for Question 2 is forthcoming.

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USPS Marketing Mail

3. Please refer to the Tactile, Sensory and Interactive Mailpiece Engagement promotion description in Attachment A to the Notice on page 76. Please confirm that the CY 2022 promotion will offer a 4 percent discount rather than a 2 or 3 percent discount. Notice, Attachment A at 76; Notice at 33. If not confirmed, please explain.

RESPONSE:

Confirmed.

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4. Please refer to the Emerging and Advanced Technology promotion description in Attachment A to the Notice on page 53. Please confirm that the CY 2022 promotion will offer a 2 or 3 percent discount rather than just a 2 percent discount. Notice, Attachment A at 53; Notice at 31. If not confirmed, please explain.

RESPONSE:

Confirmed.

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5. Please refer to the Emerging and Advanced Technology promotion description in Attachment A to the Notice on page 65. Please confirm that the CY 2022 promotion will offer a 2 or 3 percent discount rather than just a 2 percent discount. Notice, Attachment A at 65; Notice at 31. If not confirmed, please explain.

RESPONSE:

Confirmed.

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Special Services

For questions 6-9 below, please refer to Library Reference USPS-LR-R2021-2/5 – Special Services Workpapers, May 28, 2021, Excel files “R2021-2 Special Services CapCalc.xlsx” (Special Services CAPCALC file) and “FY20Q3 – FY21Q2 Special Services Hybrid Year.xlsx” (Special Services Billing Determinants file). For any responses that require a change to either the Special Services CAPCALC file or the Special Services Billing Determinants file, please resubmit updated versions of those respective files.

6. Please refer to tab “F-12 Signature Confirmation” in the Special Services CAPCALC file.
 - a. Please confirm that the value in cell C11, 11,734, is used in the formulas to calculate the products of both cell H11 and cell H12. If not confirmed, please explain.
 - b. Please confirm that the Postal Service intended to double count in this instance due to the explanation provided in Docket No. R2021-1.¹
 - c. Please confirm that the total in cell H14 should be 38,063,381. If not confirmed, please explain.

RESPONSE:

- a. Confirmed.
- b. Confirmed. The explanation provided in Docket No. R2021-1 continues to be correct.
- c. Confirmed.

¹ Docket No. R2021-1, Response of the United States Postal Service to Chairman's Information Request No. 2, October 26, 2020, question 10.

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7. Please refer to tab "G-3 Certificates of Mailing" in the Special Services CAPCALC file. Cell C43 reports a volume of 11,326,852, which is taken from the Special Services Billing Determinants file, while cell H15 reports a volume of 6,992,815.
- a. Please confirm these numbers are correct.
 - b. If part a. is confirmed, please further confirm that the explanation provided in Docket No. R2018-1 continues to be accurate.²
 - c. If part a., b., or both are not confirmed, please explain and file revised workpapers.

RESPONSE:

- a. Confirmed.
- b. Confirmed. The explanation provided in Docket No. R2018-1 continues to be accurate.
- c. Not applicable.

² Docket No. R2018-1, Responses of the United States Postal Service to Questions 1-12 of Chairman's Information Request No. 2, October 20, 2017, question 3 (Docket No. R2018-1 Response to CHIR No. 2).

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8. Please refer to tab "J-1 Other Income" in the Special Services Billing Determinants file. Please provide the quarterly volumes for all three products on this tab or a satisfactory reason as to why they cannot be produced.

RESPONSE:

A supplementary Excel file is submitted along with these responses. Additionally, a minor error has been identified and corrected for the volumes for 'ZIP Coding of Mailing Lists' and 'Correction of Mailing Lists and Sequencing of Mailing Lists' used in the cap usage calculation. A revised version of the Special Services library reference, including the corrected cap calculation file, is supplied concurrent with this response. Impacted sheets are noted on the 'Change Log' sheet, and impacted cells are highlighted in yellow.

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9. Please refer to tab "K-1 ComputDelivSeq" in the Special Services CAPCALC file. Cell C9 reports 211 transactions, and cell F9 reports a volume of 210,257,778.
- a. Please confirm these numbers are correct.
 - b. If confirmed, please further confirm that the explanation provided in Docket No. R2018-1 continues to be accurate.³
 - c. If part a., b., or both are not confirmed, please explain and file revised workpapers.

RESPONSE:

- a. Confirmed.
- b. Confirmed. The explanation provided in Docket No. R2018-1 continues to be accurate.
- c. Not applicable.

³ Docket No. R2018-1 Response to CHIR No. 2, question 5.